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UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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	:	
In re:	:	
	:	Chapter 11
DELPHI CORPORATION, et al.,	:	Case No. 05-44481 [RDD]
	:	
Debtors.	:	Jointly Administered
	:	
-----X	:	

**JOINT STIPULATION AND AGREED ORDER  
COMPROMISING AND DISALLOWING PROOFS OF CLAIM  
NUMBERS 11933, 11934, AND 11935 (METALDYNE COMPANY LLC,  
METALDYNE CORPORATION, METALDYNE SINTERED COMPONENTS  
LLC, AND METALDYNE MACHINING AND ASSEMBLY COMPANY, INC.)**

Delphi Corporation ("Delphi") and certain of its subsidiaries and affiliates, including Delphi Automotive Systems LLC ("DAS LLC"), debtors and debtors-in-possession in the above-captioned cases (the "Debtors") and Metaldyne Company LLC, Metaldyne Corporation, Metaldyne Sintered Components LLC (formerly known as Metadyne Sintered Components, Inc) and Metaldyne Machining and Assembly Company Inc. (collectively, "Claimant") respectfully submit this Joint Stipulation And

Agreed Order Compromising And Disallowing Proofs Of Claim Numbers 11933, 11934, 11935 (the "Stipulation") and agree and state as follows:

**WHEREAS**, on October 8, 2005 (the "Petition Date"), the Debtors filed voluntary petitions under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended, in the United States Bankruptcy Court for the Southern District of New York; and

**WHEREAS**, on or about August 9, 2005, Claimant and DAS LLC agreed that DAS LLC would provide payment in advance to Claimant for obligations incurred by DAS LLC to Claimant (the "Cash In Advance Payments"); and

**WHEREAS**, as of the Petition Date, Claimant held approximately \$2,109,159.98 in Cash In Advance Payments; and

**WHEREAS**, on or prior to January 5, 2007, DAS LLC commenced initiating debits pursuant to which DAS LLC attempted to recoup amounts that DAS LLC believed were Cash In Advance Payments in excess of amounts owed to Claimant prepetition; and

**WHEREAS**, on August 5, 2006, Claimant filed proofs of claim numbers 11933, 11934, and 11935 (the "Claims," and each a "Claim") against DAS LLC; and

**WHEREAS**, proof of claim number 11933 asserts a claim in the amount of \$433,818.91 secured by rights of setoff, proof of claim 11934 asserts a claim in the amount of \$594,894.60 secured by rights of setoff, and proof of claim 11935 asserts a claim in the amount of \$166,572.04 secured by rights of setoff; and

**WHEREAS**, on October 31, 2006, the Debtors objected to Claims 11933 and 11934 pursuant to the Debtors' Third Omnibus Objection (Substantive) Pursuant To 11 U.S.C. § 502(b) And Fed. R. Bankr. P. 3007 To Certain (a) Insufficiently Documented Claims, (b) Claims Unsubstantiated by Debtors' Books And Records, And (c) Claims Subject To Modification (Docket No. 6968) (the "Third Omnibus Claims Objection"); and

**WHEREAS**, on November 22, 2006, Claimant filed its Response of Metaldyne Corporation and Metaldyne Machining and Assembly Company, Inc. to Debtors' Third Omnibus Objection (Substantive) Pursuant To 11 U.S.C. § 502(b) And Fed. R. Bankr. P. 3007 To Certain (a) Insufficiently Documented Claims, (b) Claims Unsubstantiated by Debtors' Books And Records, And (c) Claims Subject To Modification (Docket No. 5707) (the "Response").

**WHEREAS**, the Debtors and Claimant have reconciled all applicable prepetition invoices and determined that the Debit Recoupments resulted in DAS LLC recapturing amounts that were greater than the Cash In Advance Payments after taking into account amounts owed prepetition by DAS LLC to Claimant.

**WHEREAS**, to resolve the Third Omnibus Claims Objection with respect to the Claims and to return to Claimant the Cash In Advance Payments erroneously returned to DAS LLC, Claimant and DAS LLC have agreed to enter into a settlement agreement (the "Settlement Agreement").

**WHEREAS**, DAS LLC is authorized to enter into the Settlement Agreement either because the Claims involve ordinary course controversies or pursuant

to that certain Order Under 11 U.S.C. §§ 363, 502, And 503 And Fed. R. Bankr. P. 9019(b) Authorizing Debtors To Compromise Or Settle Certain Classes Of Controversy And Allow Claims Without Further Court Approval (Docket No. 4414) entered by this Court on June 29, 2006.

**WHEREAS**, pursuant to the Settlement Agreement, DAS, LLC acknowledges and agrees that the Debit Recoupments resulted in DAS LLC recapturing amounts that were greater than the Cash In Advance Payments after taking into account amounts owed prepetition by DAS LLC to Claimant.

**WHEREAS**, pursuant to the Settlement Agreement, Metaldyne acknowledges and agrees that the Claims shall be disallowed; and

**NOW, THEREFORE**, in consideration of the foregoing, the Debtors and Claimant stipulate and agree as follows:

1. Within three (3) business days of the date hereof, DAS LLC shall return and pay to Claimant in cash the sum of \$336,422.15 as a return of excessive Debit Recoupments.
2. The Claims shall be disallowed in their entirety.
3. The Response is hereby withdrawn.

Dated: New York, New York  
September 21, 2007

DELPHI CORPORATION, et al.,  
Debtors and Debtors-in-Possession,

By their Bankruptcy Conflicts Counsel,  
TOGUT, SEGAL & SEGAL LLP,  
By:

/s/ Neil Berger

NEIL BERGER (NB-3599)

A Member of the Firm

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**[signatures concluded on following page]**

Dated: Detroit, Michigan  
September 21, 2007

METALDYNE COMPANY LLC,  
METALDYNE CORPORATION,  
METALDYNE SINTERED COMPONENTS  
LLC,  
METALDYNE MACHINING AND  
ASSEMBLY COMPANY, INC  
By their Counsel,  
FOLEY & LARDNER, LLP

/s/ John A. Simon

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One Detroit Center  
500 Woodward Ave  
Detroit, Michigan 48226  
(313) 234-7100

**SO ORDERED**

This 10<sup>th</sup> day of October, 2007  
in New York, New York

/s/Robert D. Drain

HONORABLE ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE